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UNCLAS SECTION 01 OF 02 HARARE 000203

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E.O.12958: N/A

TAGS: [ETRD](#) [AGOA](#) [ZI](#)

SUBJECT: Zimbabwe input for 2008 President's report on AGOA

RE: STATE 20082

¶1. Status: Not eligible, largely for reasons related to political pluralism, economic reform, corruption, rule of law, and human rights.

¶2. Market Economy/Economic Reform/Elimination of Trade Barriers: The government pays lip service to Marxist economic principles but has increasingly used ideology to mask growing official corruption. Zimbabwe is an unattractive investment destination for most foreigners and Zimbabweans alike. The IMF estimates the government's budget deficit at more than 60 percent of GDP (including quasi-fiscal activities), and predicted that inflation would end 2007 at 150,000 percent, which it indeed reached according to reliable private sector estimates. The Reserve Bank's decision to fix the exchange rate despite the country's hyperinflation has undermined what is left of the country's export sector and caused foreign exchange scarcity, fueling a parallel foreign exchange market. Zimbabwe's IMF voting rights remain suspended and the government has shown no political will to implement the comprehensive package of macroeconomic and structural reforms required for their restoration and to regain eligibility for IMF technical assistance and lending. The country is not servicing its large external debt and is falling further into arrears.

¶3. Political Pluralism/Rule of Law/Anti-Corruption: The government, dominated by President Robert Mugabe and the ruling ZANU-PF party since independence, continued to resort to brute force to perpetuate its rule. The opposition and civil society operated in an environment of state-sponsored intimidation and violence. Unlawful killings and politically motivated abductions occurred. Security forces used arbitrary arrest and detention, excessive force, and torture to create an atmosphere of fear and intimidation. Elections in 2002 and 2005 were neither free nor fair as the government and the ruling ZANU-PF party, which controls the electoral machinery, used violence, intimidation and vote rigging to affect the outcomes. The government's assault on human rights and democracy increased significantly during the year despite a regional initiative to improve Zimbabwe's political environment for presidential and parliamentary elections in 2008. Security forces and ruling party supporters targeted political opposition party leaders in a brutal and systematic campaign to dismantle opposition structures. Government voter registration and education efforts were woefully inadequate. The opposition's access to the media and rights to freedom of association and free speech were curtailed. Government efforts to influence and intimidate the judiciary have seriously eroded independence and undermined the rule of law. Senior government officials and police have willfully defied court orders that are not politically acceptable to the ruling party. The government and ruling party have closed independent news media in recent years. Corruption in government is endemic. The government has redistributed expropriated commercial farms to the ruling party elite and granted them privileged access to foreign exchange and fuel. The government-appointed Anti-Corruption Commission, established in 2005, has yet to register any notable accomplishments. The government prosecutes individuals selectively, focusing on those who have fallen out of favor with the ruling party and ignoring transgressions by favored elite. Lengthy pretrial

detention is also a problem.

¶4. Poverty Reduction: The government maintains several programs that ostensibly provide food or basic services to the poor. However, the programs are grossly under-funded and their implementation is often influenced by politics, with areas represented by the opposition disadvantaged. Moreover, the government's economic policies have caused most Zimbabweans to grow progressively poorer. Human development indicators that were once among the best in sub-Saharan Africa have deteriorated sharply. Zimbabweans will face acute food shortages again this year.

¶5. Labor/Child Labor/Human Rights: The government lacks the commitment and resources necessary to enforce labor standards effectively. It frequently uses repressive laws and intimidation to limit workers' right to organize and hold labor union meetings. The government continued to harass the Zimbabwe Congress of Trade Unions (ZCTU), the country's largest trade union, and its leadership. In September 2006, police arrested and severely beat several senior leaders of ZCTU for their role in planning a peaceful demonstration. In September 2007, police arrested three ZCTU members for distributing flyers about a labor action and reportedly beat them. On February 19, 2008, ZANU-PF supporters abducted nine members of the Progressive Teachers' Union of Zimbabwe (PTUZ), a ZCTU affiliate, during a peaceful demonstration in Harare. The group was taken into the ZANU-PF Harare province headquarters and severely assaulted for more than an hour with clenched fists, booted feet, and iron rods. Their assailants accused them of supporting main opposition Movement for Democratic Change (MDC). Police later picked up the PTUZ members from the ZANU-PF offices and took them to the Harare Central Police station before eventually taking them to the hospital for medical attention. Police charged several PTUZ members with "criminal nuisance." The government has taken steps to marginalize the traditional unions and the formal labor dispute resolution mechanism. There have been attempts to supplant

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legitimate labor leaders with hand-picked supporters. Zimbabwe has ratified all eight core ILO Conventions. In October 2007, the Ministry of Public Service, Labor and Social Welfare signed a Memorandum of Understanding with the ILO to collaborate on a multi-phased program for the Elimination of the Worst Forms of Child Labor, which was expected to address child labor issues and the implementation of ILO Convention 182, including activities pertaining to the prevention of child labor and the protection of working children. However, the government's commitment to children's rights and welfare remains weak. Children work in agriculture, street vending, and as domestic servants. There are reports that an increasing number of girls are involved in prostitution, especially in border towns. Primary education is not compulsory, free, or universal for any children, and an increasing number of Zimbabwean children have fallen out of the education system. The government continues to evict citizens forcibly and to demolish homes; and it uses repressive laws to suppress freedom of speech, press, assembly, movement, and association. Security forces arbitrarily arrested and detained journalists, demonstrators, and religious leaders and reportedly tortured members of the opposition, union leaders, and civil society activists. There were also reports of unlawful killings and politically motivated kidnappings.

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